

(c) and (d) Banking facilities are being expanded in rural areas for wider financial inclusion. In this regard, Banks have been advised to use the services of Non-Governmental Organisations (NGOs), Self Help Groups (SHGs), Micro Finance Institutions (MFIs) and other Civil Services Organisations as intermediaries in Facilitator and Correspondent models. As per RBI, there were 259 lakh agricultural accounts in public and private sector banks as at the last reporting Friday of March, 2006.

Multi Commodity Exchanges

†2961. SHRI RAMADHAR KASHYAP: Will the Minister of FINANCE be pleased to state:

(a) whether Multi Commodity Exchange of India Ltd. had become inevitable in the interest of common man of the country;

(b) whether there is no hike in the prices of foodgrains because of this exchange;

(c) the extent of hike recorded in the prices of foodgrains and food items from the year 2003 to 2006 as a result of this exchange;

(d) the income to the Central Government from this exchange;

(e) whether Government are considering to close down such exchange, as it is not helping the common man; and

(f) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) The Multi Commodity Exchange of India Ltd. provides a trading platform for futures trading in commodities. The Exchange, by providing the trading platform, helps in price discovery and price risk management by various stakeholders such as farmers, producers, exporters, and agro-processors.

(b) and (c) The prices of the commodities are determined *inter alia* by the demand and supply scenario of the commodity. The Exchange does not have any role in the price movement of a commodity.

(d) The Government earns revenue in the form of various taxes paid by this Exchange such as income tax, service tax, fringe benefit tax etc.

(e) and (f) Presently, there is no such proposal.

†Original notice of the question was received in Hindi.